

Anticipating High Bill Reactions

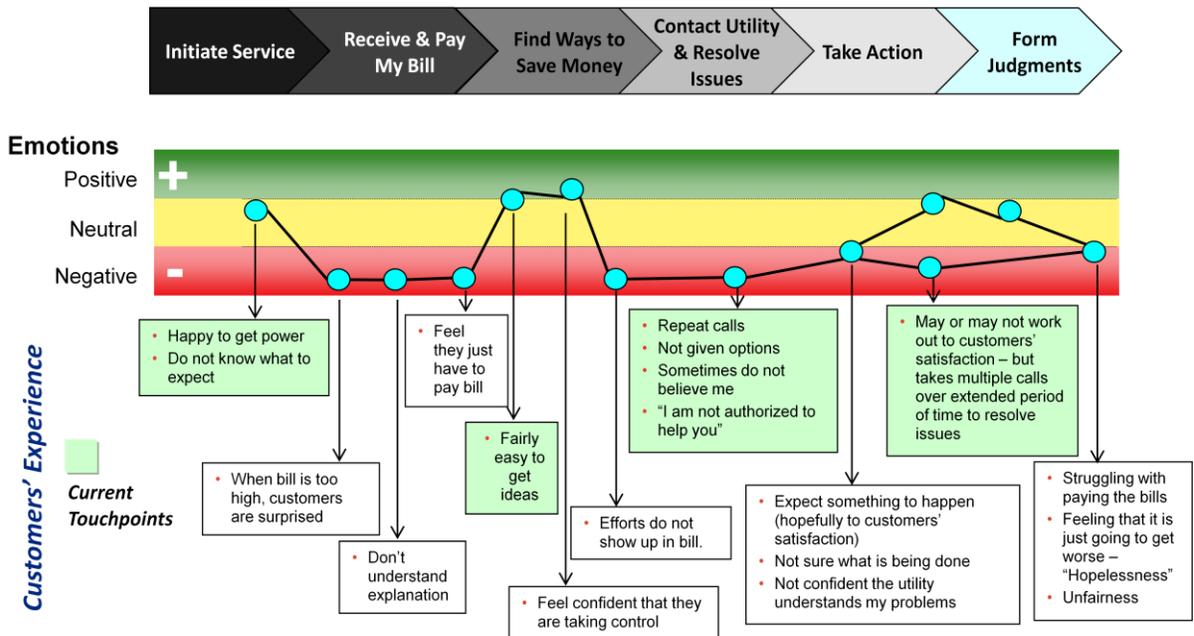
For many utilities, dealing with customers who react to high bills with surprise and frustration--even anger--often drive a very significant portion of their service costs. These customers call repeatedly with questions, demand re-reads, require help with payment and, even so, often remain unsatisfied and vocal critics. Worse, even though this is a common state of affairs, utilities often act as surprised as the customers and do very little (on the whole) to address the situation proactively. The plain truth is that these situations are almost entirely predictable. Yet with some forethought and ingenuity, utilities can transform this situation, reducing costs and increasing customer satisfaction.

Insight into the Customer's Experience

In our recent work with utility clients to gain deeper insight into customer reactions, it turns out that there are several relatively simple things that utilities can do to manage these encounters that address the fundamental needs of customers. For most utilities, the primary drivers of J.D. Power scores are customers' perceptions of overall costs, fairness in pricing, availability of pricing options, and the utility's efforts to help customers manage monthly usage. Since most customers pay attention to these factors only when they are surprised by their bill, Bill Shock has a profoundly negative impact on satisfaction.

The opportunity lies in anticipating "high bill" experiences, being transparent about the balance due, and positively influencing customer behavior in ways that will lower the cost to serve, improve satisfaction and engage them in more proactive conservation efforts.

Deep insight was gained by mapping customers' emotional journey across the high bill experience... how customers felt at various points in the experience. A sample of this mapping is shown below.



While reactions vary, when most customers decide to take action, they respond by picking up the phone and calling the call center. Some will go to a web site first to figure out what has happened. However,

as the Customer Contact Council research has discovered, nearly 60% of callers into a call center tried to handle their interaction via the web first. Most utility web sites are incapable of handling this type of inquiry, resulting in customer callers being even unhappier than when they first received their bill.

Specific findings from this research identified what customers really care about, they:

- Seek to understand the bill (accurate, meter read, what do these rates and charges mean, etc.),
- Want to avoid this happening again (become more active in conserving energy at home),
- Need help in making a payment via an extension, level billing or other arrangements.

Innovations Identified

Several influential interventions were designed centered on the theme: *Save Me Money*, which in the research resonated with customers. The *Save Me Money* designs proactively address customers' high bill reactions. Some of these innovations include:

- A simplified and **interactive energy statement** (providing deeper understanding of the bill and offering energy conservation ideas in a **relevant and timely** fashion),
- Customer-friendly **pay plan options**,
- Integrated **credit counseling services**, and
- A game-like *Save Me Money* **virtual advisor** (addressing all three questions)

The virtual advisor includes an “interactive conversation” with a virtual host through a self-directed web experience for customers to get their key questions answered at the pace they want. At the end, there are printouts that can be delivered as well as an introduction of energy saving resources, help paying bills and other resources. Below is a small sample of some of the interactions or you can try this out as one of our clients has deployed the technology for their customers at [Virtual Energy Advisor](#) .



The collective interventions not only hold costs down and improve satisfaction, they also take advantage of this **point of influence** at a time when the customer is listening and motivated. For years, customers have seen inserts or television ads telling them about using less power and saving money. For the subset of the population that is environmentally conscious or acting as good stewards for their grandchildren, these corporate messages have been useful. The vast majority of customers have not availed themselves of all the “soft” conservation activities. Now with motivation, they are introduced and seamlessly connected with the right tools to feel confident they have the ability to control their energy usage and the bill that follows.

With a ready audience, the central point of influence is the bill, where customers first experience the surprise. More intelligent billing systems proactively determine which customers are receiving a high bill and deliver one in a modified format from normal bills, in paper or interactive. Business rules imbed specific and valuable messaging that anticipates customer reactions. Valuable content, such as videos and links can be provided to the customer during the high bill experience. Shown below are some examples to connect the customer's experience with ways to address their questions. For example, next to a pay now button, there might be a button (or an information box for a paper bill) asking the question, "Trouble Paying?" or "Ready to Control My Usage?" The opportunities are unlimited once the customer's reaction is better understood.

iPDF (interactive Adobe PDF)

The diagram illustrates the integration of iPDF features into an interactive utility bill. On the left, five blue boxes list the features: iPDF Response Buttons, Imbedded Video, "Onsert" & QR Codes, Marketing "Onsert", and For iPDF, Remit Slip Becomes TCM Area. Blue arrows point from these boxes to corresponding elements on a sample utility bill interface from ITC Energy.

- iPDF Response Buttons:** Points to the top navigation bar of the bill interface.
- Imbedded Video:** Points to a video player showing a person at a computer.
- "Onsert" & QR Codes:** Points to a text box with a QR code and a link to a website.
- Marketing "Onsert":** Points to a promotional banner for energy conservation.
- For iPDF, Remit Slip Becomes TCM Area:** Points to the bottom section of the bill, which includes account information and a QR code for the remittance slip.

Influenced Outcomes

Interactive bills, customized paper bills or interactive web tools can now be put to work with an attentive audience at a fraction of the cost to serve them. Many customers will self serve to better understand why the bill seems high or seek an extension or alternate terms. The customer has now connected what matters to them, **money**, to energy conservation. Public messages offer abstract reasons and benefits to energy conservation. But now, during a high bill experience, it has become personalized to that customer and they've received valuable assistance. While that bill might still be high, customers feel more in control and cared for when these interactions are designed with deep customer insight in mind.